



U. S. Department of Justice

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PRESS RELEASE

***DR. STACK SENTENCED TO EIGHT YEARS
IN PRISON; RESTITUTION AMOUNT,
FORFEITURE ISSUES STILL PENDING***

SALT LAKE CITY – Dr. Warren R. Stack, who pleaded guilty in May to one count of conspiracy to commit distribution of a controlled substance, health care fraud and money laundering and two counts of health care fraud, will serve eight years in federal prison. Stack was ordered to surrender to the U.S. Bureau of Prisons by noon Sept. 22, 2009, to begin serving his sentence.

U.S. District Judge Tena Campbell issued the sentence today in U.S. District Court, agreeing to a sentencing recommendation included in a plea agreement Stack reached with federal prosecutors. Judge Campbell ordered Stack to serve 36 months of supervised release when he finishes his federal prison sentence. Final forfeiture and restitution amounts in the case will be finalized in the next 30 days.

The case was prosecuted by the U.S. Attorney's Office and a Special Assistant U.S. Attorney from the Utah Attorney General's Office. Investigative agencies include the DEA, the Salt Lake County Sheriff's

Office, the State of Utah Insurance Fraud Division, the FBI, and IRS Criminal Investigation Division.

Stack admitted as a part of a plea agreement reached with the U.S. Attorney's Office that he saw and prescribed medication to as many as 80 patients a day through a practice he referred to as "Express Scripts" while billing patients and health care benefit programs as though he had conducted a thorough medical examination.

U.S. Attorney Brett L. Tolman said he believes justice has been served in this case. "Dr. Stack will serve eight years in federal prison without the possibility of parole. This sentence represents the high end of the federal sentencing guideline range in the case (78 to 97 months). Additionally, Dr. Stack has surrendered his medical license and will never practice medicine again. 'Scripts Express' is closed," Tolman said.

Salt Lake County Sheriff Jim Winder said he is very pleased the case has been successfully resolved. "The cooperation displayed by federal law enforcement officers, federal prosecutors, and Salt Lake County Sheriff's Office detectives during this joint investigation is a testament to the work ethic and professionalism of those involved in this complex criminal prosecution. Significant resources and countless hours were spent to ensure this case was brought to justice on behalf of those citizens who were victimized by Dr. Stack. Hopefully, this resolution will bring some closure to the victims and their families as they move forward with their lives," Sheriff Winder said this afternoon.

"Not only did Mr. Stack rip off the medical insurance providers, he completely disregarded the health and well being of his patients just to make a quick buck. Unfortunately for Mr. Stack, IRS Criminal Investigation is very good at following the money and ensuring crime does not pay," said Paul A Camacho, Special Agent in Charge of IRS Criminal Investigations.

DEA Denver Field Division Special Agent in Charge Jeffrey D. Sweetin stated, "This sentence, although at the high range of the sentencing guidelines, will never fully compensate those individuals and family members that have suffered due to Dr. Stack's greed. We hope this sentence sends a message to those few physicians that do not practice by the Hippocratic Oath and put profits above the needs of their patients."

Stack was charged in an 18-count federal indictment returned in December 2007 with conspiracy, distribution or dispensation of a controlled substance, health care fraud, and money laundering. Two other individuals, Mindy L. Kramer of Magna and Phyllis V. Murray of Murray also were charged in the indictment. Both have reached plea agreements with federal prosecutors and are scheduled to be sentenced Wednesday afternoon.

In the plea agreement, Stack admitted that between April 2006 and May 16, 2007, he saw patients at his clinics in Salt Lake County. As a part of his practice, he prescribed various drugs, including Oxycontin, Oxycodone, Soma, Methadone, Methadose, Percocet, and Endocet. According to the statement, most of his patients were seen every four weeks and were given either a brief physical examination or none at all, and were then issued prescriptions for controlled substances.

Stack admitted that during this period of time, he required patients to make their co-payments in cash and then directed his staff to bill various private and public insurance providers as though he had conducted a thorough and professional examination. He collected money from those providers as a result of this practice, the statement says. Money from patients and insurance providers was deposited into his business account and used to pay business expenses and his salary, the statement said.

During the "Scripts Express" period, Stack said he would meet with patients at a make-shift desk in his waiting room, in full view and hearing of his staff and other waiting patients. Stack admitted he would quickly review the patient's file, make an inquiry as to whether the patient's prescribed medications were still working, and issue a new prescription for controlled substances to the patient without conducting a medical examination. Stack continued to bill patients and health care benefit programs as though he had conducted a professional medical examination. He admitted collecting or billing amounts of \$70 to \$200 per patient visit.

The two health care fraud counts included in the plea agreement charged Stack with defrauding Select Health, a health care benefit program, and the federal Medicare program.

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